



**CITY OF MORGAN HILL
17555 PEAK AVENUE
MORGAN HILL, CALIFORNIA 95037**

MORGAN HILL CORPORATION YARD COMMISSION

ACTION MINUTES

SPECIAL MEETING

Morgan Hill Civic Center
Villas Conference Room
17555 Peak Avenue
Morgan Hill, California

Chairperson
Vice Chairperson
Commission Member
Commission Member
Commission Member

Roger Knopf
Del Foster
Greg Sellers
George Panos
Hedy Chang

TUESDAY, FEBRUARY 25, 2003

6:00 P. M.

CALL TO ORDER

(Chairperson Knopf)

6:09 P. M.

ROLL CALL ATTENDANCE

Present: Chairperson Knopf & Commissioners Foster, Sellers, Chang, & Panos (arrived at 6:11 P. M.)

Staff present: Ashcraft & Dilles

DECLARATION OF POSTING OF AGENDA

In accordance with Government Code 54954.2 the amended agenda was posted

PUBLIC COMMENTS

None

The Morgan Hill Corporation Yard Commission welcomes comments from all individuals on any agenda item being considered by the Commission. Please complete a Speaker Card and present it to the Secretary. This will assist the Board Members in hearing your comments at the appropriate time. In the interest of brevity and timeliness and to ensure the participation of all those desiring an opportunity to speak, comments presented to the Commission are limited to **Three Minutes**. We appreciate your cooperation. **NOW IS THE TIME FOR COMMENTS FROM THE PUBLIC REGARDING ITEMS NOT ON THIS AGENDA.**

BUSINESS:

1. **MINUTES OF DECEMBER 17, 2002**

Recommended Action: Approved

Approved the minutes of December 17, 2002, with Chairperson Knopf abstaining (following action on agenda items 2, 3, and 4)

2. **APPROVAL OF PROFESSIONAL SERVICES CONTRACT WITH SCS ENGINEERS FOR 2003 1ST AND 2ND QUARTER MONITORING, TREATMENT SYSTEM EVALUATION AND DRILLING OF NEW MONITORING WELL**

Recommended Actions: Authorize the chairperson to execute a professional services contract with SCS Engineers in the amount not to exceed \$62,000

Mr. Ashcraft presented the staff report and stated that it is necessary to drill a new monitoring well in order to satisfy all requirements of the Santa Clara Valley Water District. Sufficient funds are available in the 2002/03 Commission budget. Staff will prepare the contract for signature by the Chairperson.

3. **DISCUSSION OF ONE-THIRD/TWO THIRDS SPLIT OF LEGAL BILLS**

Recommended Action: Discuss

Mr. Dilles presented a brief report, as continued from the December 17, 2002, Commission meeting. To clarify the situation, staff distributed and read from the Commission minutes of August 6, 2001, which read "...Commissioners voted to approve the extension of the existing agreement with Hoge Fenton Jones & Appel through August 26, 2001 and to split legal transition costs on a 50%/50% basis between the School District and City. Further, staff was directed to return with a proposed legal agreement with the new law firm of Sedgwick, Detert, Moran & Arnold ("Sedgwick") and to limit transition costs to no more than \$10,000." Staff described an attachment to the staff report, which showed that the first billing submitted by Sedgwick included \$8,241.50 in legal transition costs that were split 50%/50% in the billing prepared by Commission staff and sent to the School District. Staff also indicated that all subsequent payments to Sedgwick represented post-transition costs and approximately 2/3 of these costs were billed to the School District by staff. However, while District staff paid 2/3 of almost all legal billings, District staff had only paid 1/2 of certain recent Sedgwick costs billed to the School District, presumably in connection with this discussion. Staff estimated that another \$80,000 to \$120,000 in legal bills are pending.

The Commission agreed that the August 26, 2001, minutes reflected the intention of Commission members and confirmed that all ongoing Sedgwick bills, following the very first billing that was split 50/50, should be split as 67.25% to the School District and 32.75% to the City of Morgan Hill.

4. **PRELIMINARY 2003-04 BUDGET FOR FUEL LEAK CLEAN UP**

Information only

Mr. Ashcraft presented the staff report and estimated that clean-up costs for fiscal year 2003/04 would be \$120,000 and that staff would be bringing the formal proposed 2003/04 budget to the Commission in May. Commissioner Chang inquired as to how long the clean-up process will continue. Mr. Ashcraft responded that the Commission's consultant, SCS, had originally estimated clean-up would take another 6 to 7 years and cost up to \$1.5 million. Expert testimony at the recent trial projected, alternatively, that the clean-up could take up to an additional 14 years and cost up to another \$3.5 million. Ultimately, it is up to the Santa Clara Valley Water District to determine when the clean-up is complete. Mr. Dilles indicated that another clean-up claim for approximately

\$132,000 has been sent to the State of California to reimburse the Commission and offset these clean-up costs. Chairperson Knopf indicated that it has been difficult to get one's arms around the clean-up process, since one cannot really touch the problem. It will be 8 years in June and the Commission is way ahead of other entities handling clean-up problems elsewhere in Santa Clara County.

5. FUTURE AGENDA ITEMS

Recommended Action: Discuss

Staff was directed to schedule a meeting for consideration of the Commission's proposed 2003/04 budget, keeping in mind that Chairperson Knopf will not be available between May 15th and June 15th.

ADJOURNMENT Adjourned at 6:33 P.M.

OPEN PUBLIC COMMENT PERIOD (3 MINUTES)

Following the opening of Commission business, the public may present comments on items **NOT** appearing on the agenda that are within the Commission's jurisdiction. Should your comments require Commission action, your request will be placed on the next appropriate agenda. No Commission discussion or action may be taken until your item appears on a future agenda. You may contact the Commission Secretary for specific time and dates. This procedure is in compliance with the California Public Meeting Law (Brown Act) G.C. 54950.5. Please limit your presentation to three (3) minutes.

SPEAKER CARDS

In accordance with Government Code 54953.3 it is not a requirement to fill out a speaker card in order to speak to the Commission. However, it is very helpful to the Commission if you would fill out the speaker card that is available on the counter in the Commission Chambers. Please fill out a card and return it to the Commission Secretary. As your name is called by the Mayor, please walk to the podium and speak directly into the microphone. Clearly state your name and address and then proceed to comment on the agenda item. Please limit your remarks to 3 minutes.

NOTICE

AMERICANS WITH DISABILITY ACT (ADA)

The City of Morgan Hill complies with the Americans with Disability Act (ADA) and will provide reasonable accommodation to individuals with disabilities to ensure equal access to all facilities, programs and services offered by the City.

If assistance is needed regarding any item appearing on the Commission agenda, please contact the Office of the City Clerk at City Hall, 17555 Peak Avenue or call 779-7259 or (Hearing Impaired only - TDD 776-7381) to request accommodation.